

23 December 1970

25X1 Mr. Coffey ~~via Mr.~~ [redacted]

The attached draft contains management improvement and cost reduction items which I believe we can safely send forward. Where the Offices submitted insufficient information, I went back to them in order to improve our posture. I had some real difficulties in arriving at a decent list from Commo, because so much of what they plan in the way of new technology relating to improved management does not fit within the next six months' time frame. I believe, however, that the Commo items selected are sufficient. Checkmarks on each Office's submittal indicate those items which were selected for inclusion in the final draft.

On Agency-wide matters going beyond the Support Directorate such as the ABC System, reports management, etc., I have included information and suggestions which will permit O/PPB to set up goals Agency-wide on the broader items.

After the turn of the year, it will be necessary for us to issue instructions to the Support Offices on the entire Support Directorate Management Improvement Program. It will be necessary that the Offices gear up to report properly on those goals submitted to O/PPB in the attached draft. It will also be necessary for us to identify the other items to be held internally within the Support Directorate and concerning which you wish follow-on reporting and action.

25X1 The other Directorates have not yet reviewed their submittals, but I believe that the attached draft will be consistent with what they turn in insofar as numbers are concerned. The DD/P is expected to indicate a continuing interest in management improvement and 15 or 20 examples of such efforts will be offered. Any savings within the Clandestine Service will be reprogrammed. [redacted] who is handling this, will return from leave on 28 December and will call Mr. [redacted] and sit down with him for a useful discussion. The DD/I plans about 15 or so items submitted by program category and they will indicate their intention to reprogram dollars saved for unbudgeted obligations such as SALT expenditures. The DD/S&T is expected to submit four very broad items, but we don't yet know what they will be.

25X1 Section IX of the Agency instructions required reports on FY 1970 gains. [redacted] says that this portion of the Agency instructions was in error and that the Agency will not be required to submit such information to OMB because it is already contained in prior budgets.

JWP

0015 70-5131

DRAFT-23 December 1970

MEMORANDUM FOR:; Director of Planning, Programming and Budgeting

SUBJECT : Support Directorate Management Improvement
Program, 1 January - 30 June 1971

ILLEGIB

Ref.

1. Attached are the Support Directorate's management improvement and cost reduction goals for the last half of FY 1971.

2. Several goals involving Support Offices are Agency-wide in scope. These have been omitted from the attachments assuming that such goals contained in the Agency report to OMB would be developed in O/PPB. For example, the Agency's ABC System for budget automation is a worthwhile and novel approach which you, no doubt, will wish to include. Additionally, the Agency's cost reduction efforts on reports have not progressed to the point where savings estimates for the last half of FY 1971 can be submitted; but you may wish to include in the Agency report some mention of this effort.

3. I believe that your concept of including within the Agency's planning, programming and budgeting cycle instructions which would satisfy the requirements imposed by OMB Circular A-44 is a good idea, and the Support Directorate will assist in this effort when called upon.

John W. Coffey
Assistant Deputy Director
Acting for Support

Atts -

Att. 1: Management Effectiveness Goals

Att. 2: Cost Reduction Goals

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~~examining~~ Review and review

18. The Office of Training is ~~examining~~ tutorial language programs in order to reduce the number through the enlargement of existing classes and a reduction in the number of short-term language courses.

Attachment 2

COST REDUCTION GOALS

1. The Office of Security plans to reduce rental fees for equipment leased by the Security Records and Communications Division through the use of newer equipment. Annual rental savings approximating \$2,800 are expected.
2. The Office of Medical Services has developed automated laboratory procedures which will permit ~~the~~ biochemical profiling through twelve tests on one blood sample. The heart of this new system is a machine capable of processing 30 such samples per hour. Chemicals utilized by the machine cost \$2 for each battery of twelve tests per patient. Previous manual methods cost \$1 per test or \$12 per patient. The program envisaged is a screening program which will enable the Office of Medical Services to extend its laboratory procedures to ~~xxx~~ those employees who are now not seen subsequent to entry on duty. Cost reductions can be measured in terms of the \$10 per patient difference, multiplied by the number of patients handled. This arrangement will permit more such testing within the constraint of available funds.